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NOTE: Blue underlined text are hyperlinks. Click for additional information.

## GENERAL PROGRAM INFORMATION

### **PROGRAM OVERVIEW**

In a Memorandum of Understanding between the State of Vermont and the owner of the Vermont Yankee plant in Windham County, Entergy agreed to provide \$10 million to the State of Vermont “to promote economic development in Windham County.” According to the terms of the MOU, the State of Vermont will receive \$2 million per year for five years, starting April 1, 2014. These funds are administered by the Agency of Commerce and Community Development (ACCD), in cooperation with the Windham County Economic Development Program Advisory Council ([Advisory Council](#)), through the Windham County Economic Development Program (WCEDP). When the first round of funding was announced in December 2014, Governor Shumlin also announced that ACCD would review the program in consultation with the regional partners with a goal of restructuring the program. That review has occurred and the program has been restructured as outlined below.

For updates and additional information visit: [GoWindham.Vermont.gov](http://GoWindham.Vermont.gov).

Email for questions and to get added to email notifications: [accd.wcgp@vermont.gov](mailto:accd.wcgp@vermont.gov).

### **PROGRAM OBJECTIVES**

The WCEDP is meant to promote economic development in Windham County by providing funds to stimulate job creation through business start-up, expansion, or relocation, encourage entrepreneurial activity, and strengthen the economic development infrastructure to ensure a strong foundation for transformational economic activity. The primary focus of the program will be private sector job creation and retention, and direct support of entrepreneurial activities, followed by support of economic development systems and activities that encourage an entrepreneurial, innovation and business start-up environment and culture.

### **GENERAL PROGRAM ELIGIBILITY REQUIREMENTS**

All funded projects are required to promote economic development in Windham County. Specifically, the project or proposal must:

- Occur in, or directly benefit, Windham County;
- Promote economic development in Windham County;
- Advance the goals and objectives of the region’s [comprehensive economic development strategy](#);
- Retain employment, create new jobs, or stimulate indirect and induced job creation in the region;
- Result in entrepreneurial activity, business start-ups, business expansions, business relocations, or other economic activity that is transformative for the economy in relation to the size of the grant or loan request;
- Maximize partnerships, collaborations, and/or coordination; and
- Leverage other funds to maximize program impact.

## **PROGRAM STRUCTURE AND APPLICATION PROCESS**

Program funds will be made available through direct loans, competitive grants to organizations responding to a Request for Proposals, non-competitive grants, and incentives. For-profit businesses must apply for loans. Non-profits and municipalities may apply for loans or competitive grants.

**Technical Assistance and Letters of Intent to Apply:** Applicants for loans or competitive grants are strongly advised to take advantage of the one-on-one technical assistance made available in the region. See contact information below or click [here](#). Loan and competitive grant applicants are required to attend a Letter of Intent to Apply Workshop and an Application Workshop. Click [here](#) for dates and registration link. After attending an LOI Workshop, loan and competitive grant applicants must submit a Letter of Intent to Apply and have the LOI reviewed by the Advisory Council and approved by ACCD before an application can be submitted. See LOI requirements below or click [here](#).

**Loans:** An applicant for a loan should utilize available technical assistance, must attend a Letter of Intent to Apply Workshop, then submit a Letter of Intent to Apply for review and approval. If the LOI is approved, the business should again utilize available technical assistance to develop a loan application and must attend an Application Workshop. Then a loan application can be filed at any time. Loan applications, including all required documentation and financial information, are filed directly to the Vermont Economic Development Authority (VEDA) using VEDA's [Small Business Loan application](#). VEDA will conduct underwriting and submit a recommendation to ACCD. If approved, the loan can be closed when all required closing documentation is submitted to VEDA. See loan program details below or click [here](#).

**Competitive Grants:** A Request for Proposals will be released each year describing the types of projects that are eligible for that round of competitive grant funding. Eligible projects may vary each year depending on the needs identified by the Advisory Council. For the current RFP, click [here](#). Potential applicants are strongly advised to utilize available technical assistance made available in the region. Applicants must submit a Letter of Intent to Apply for review and approval before an application can be submitted. If an LOI is approved, applicants should utilize available technical assistance to develop an application and must attend an application workshop. Applications are filed with ACCD and will be scored by ACCD staff and reviewed by regional partners and appropriate state agencies. Both the LOI and application must address one or more objectives of the RFP, advance the goals and objectives of the [Regional Comprehensive Economic Development Strategy](#), and address the competitive grant scoring criteria. The Vermont Economic Progress Council will provide final review all competitive grant applications, hold a public hearing in the region, and then make an allocation and prioritization proposal to the Governor. The Governor will select applications for funding.

**Incentives:** State and regional economic development officials will work with existing and new businesses, acting quickly and creatively to put together flexible incentive packages to ensure the retention of existing jobs and the creation of new jobs by existing and new businesses. These packages may include a mix of loans and grants from the WCEDP combined with other state, regional, and local programs such as the Vermont Employment Growth Incentive (VEGI), Community Development Block Grants (CDBG), training funds, local revolving loan funds, and property tax stabilization. The incentive packages will be developed in collaboration with regional partners. Use of WCEDP funds require authorization by the Governor.

## **LOAN APPLICATION INFORMATION**

### **General:**

- Click [here](#) for a WCEDP application process overview and [here](#) for the timeline for this year.
- Loan applicants are strongly advised to utilize technical assistance provided by SBDC and BDCC to develop a Letter of Intent to Apply, ensure proper preparation of financial and other documentation required to obtain a loan, and develop a loan application. See below or click [here](#) for technical assistance provider information.
- Applicant must attend a Letter of Intent to Apply Workshop and file a Letter of Intent to Apply for review by the Windham County Advisory Council and approval by ACCD. Click [here](#) for schedule of workshops and registration link and see below or click [here](#) for LOI requirements.
- After attending LOI workshop, submit a Letter of Intent to Apply for review to the WCEDP Advisory Council: [rbrown@brattleborodevelopment.com](mailto:rbrown@brattleborodevelopment.com). If the review is positive, the Advisory Council will provide the applicant with a letter of support which is filed with the loan application and ACCD will provide an LOI approval notification. A WCEDP loan application may only be filed with VEDA after an LOI is approved.
- If an LOI is approved, loan applicants are strongly advised to continue receiving technical assistance to prepare a loan application and are required to attend a loan application workshop. Click [here](#) for schedule of workshops and registration link.
- Loan applications will be accepted on a continuous basis from applicants who have attended workshops and had an LOI approved. Submit a loan application using VEDA's "[Small Business Loan Program](#)" application.
- Applicants are advised to contact VEDA (802-828-5627) and speak with a commercial loan officer before proceeding with a WCEDP loan application.
- Application must include the loan application ([Small Business Loan Program](#)) and other information required by VEDA, including:
  - A business plan.
  - Business financial information, including: financial statements (income statement and balance sheets) and tax returns for at least the last three years; current interim income statement and balance sheet for this year-to-date; projected income statements and balance sheets for at least two years; cash flow projections for at least one year; schedule of liabilities; schedule of contingent liabilities.
  - Personal financial information, including: current signed personal financial statement for each principal who owns at least 20% of the business; individual tax returns from each of these individuals for the last year; a resume of business experience from each principal.
  - Employment projections including employee compensation and benefits.
  - Insurance coverage information.

### **Program Eligibility for Loan Applications:**

- Project will occur in Windham County;
- Project advances the goals and objectives of the regional CEDS Plan;
- Project will create and/or retain jobs in Windham County;
- Project will result in entrepreneurial activity, a business start-up, or business expansion in Windham County, or business relocation to Windham County; and
- Project can proceed within nine months of loan closing.

### **Eligible Borrowers:**

- Eligible borrowers include corporations, limited liability companies, L3C, B Corps, partnerships, sole proprietorships and non-profits located in, or doing business in, Windham County that will create new jobs in Windham County.

**Eligible Use of Proceeds:**

- Purchase of land and buildings;
- New construction or renovation to existing property;
- Purchase and installation of machinery and equipment, furniture and fixtures; or
- Working capital.

**Loan Rates and Terms:**

- Interest Rate: 2.0% fixed for the term of the loan.
- Minimum Loan Amount: \$25,000
- Maximum Loan Amount: \$350,000
- Percent of Project to be Financed:
  - Projects eligible under VEDA's [Entrepreneurial Loan Fund definition](#): Up to 90% WCEDP Loan; 10% any other source(s).
  - Other Projects: Up to 60% WCEDP loan; 40% any other source(s).
- Term:
  - Real Estate Loans: 10 year term, generally amortized on a 15 year basis.
  - Machinery and Equipment Loans: maximum 7 year term generally amortized on a 7 year basis.
  - Working Capital Loans: maximum 5 year term generally amortized on a 5 year basis.
- Collateral:
  - Loans will be adequately secured by real estate, business assets, personal assets, or a combination thereof, or such other collateral as may be available.
  - VEDA will consider both tangible and intangible assets in determining and valuing collateral.
  - Loans will generally be personally/corporately guaranteed by the owners of 20% or more of the borrowing company.
  - The WCEDP loan will be subordinate to any other lending by VEDA and potentially other project lenders as well.

**Fees and other Costs (paid at closing):**

- No commitment fee or application fee.
- \$50 credit report fee.
- \$18 flood insurance certification (if required).
- Document recording/discharge fees as they apply.
- Reimbursement to VEDA for any out-of-pocket costs (such as appraisals or environmental)

**COMPETITIVE GRANT APPLICATION INFORMATION****General Information:**

- A Request for Proposals (RFP) will be published each year.
- Competitive grant applicants are strongly advised to utilize technical assistance to develop a Letter of Intent to Apply and develop a grant application that responds to the published RFP. See below or click [here](#) for technical assistance provider information.
- Applicant must attend a Letter of Intent to Apply Workshop and file a Letter of Intent to Apply for review by the Advisory Council and approval by ACCD. Click [here](#) for schedule of workshops and registration link and see below or click [here](#) for LOI requirements.
- Submit a Letter of Intent to Apply for review to the WCEDP Advisory Council: [rbrown@brattleborodevelopment.com](mailto:rbrown@brattleborodevelopment.com). If the review is positive, the Advisory Council will provide the applicant with a letter of support which is filed with the grant application and ACCD will provide an LOI approval notification. A competitive grant application may only be filed with ACCD after an LOI is approved.

- If an LOI is approved, grant applicants are strongly advised to continue receiving technical assistance to prepare a grant application and are required to attend a grant application workshop. Click [here](#) for schedule of workshops and registration link.
- Applicants must certify attendance at an application workshop and file an application by the due date published in the RFP using only the application form for this program. Click [here](#) to access the WCEDP Competitive Grant Application.

### Scoring Criteria:

All competitive grant applications must promote the goals and objectives of the [Comprehensive Economic Development Strategy](#) for the region and will be competitively scored by ACCD staff using the following criteria:

	<u>Possible Points</u>
Response to requirements of RFP	20
Return on Investment - Lasting Impact or Benefit	10
Coordination and Collaboration with Other Organizations	10
Leveraging of other Programs and Funding	10
Capacity and Experience to Carry Out the Project	10
Readiness to Proceed	10
Strengthening of Regional Economic Devel. Infrastructure	5
Addresses Unmet Funding or Programmatic Need	5
Assistance to Those Adversely Impacted by VY Closure	5
Long Term Viability	5
Coordination with Local and Regional Planning Efforts	5
<u>Implementation Plan</u>	<u>5</u>
Total Score	100

Applications will also be reviewed by appropriate state agencies depending on the subject matter of the application. An application summary, staff scores and agency review comments will be provided to the Vermont Economic Progress Council. The Council will hold a public hearing in the region to hear presentations by the applicants. VEPC will then prioritize the applications, allocate available funds and submit a funding recommendation to the Governor. The Governor will make the final determination of funding for the competitive grants.

### **LETTER OF INTENT TO APPLY REQUIREMENTS**

Loan and competitive grant applicants must attend a Letter of Intent to Apply workshop and are strongly advised to utilize the technical assistance and counseling provided by the SBDC, BDCC, and WRC to develop an LOI and, if the LOI is approved, a loan or competitive grant application.

#### **A Letter of Intent to Apply must include the following:**

- Name of applicant organization. If the project involves more than one entity acting collaboratively or in a partnership, name the lead entity and include information on the other entities;
- Applicant organization mailing address and website URL.
- Contact person information for applicant (lead entity if more than one entity involved), including name, title, phone (including extension) and email address. Please provide an email address that will be checked often and respond to requests for information in a timely manner;

- Tax filing status, DUNS, and NAICS; and
- Executive Summary of project, including:
  - Brief description of project: A clear, concise summary that includes a timeline, purpose of the request, and any positive and transformative goals outcomes expected;
  - Physical location of project;
  - Total Project funding requirement (if large project with several phases, summary and funding should pertain to the funding requested this round of grant funding or this loan application);
  - Loan or grant amount requested;
  - Sources of all funds and use of proceeds;
  - Project timeline and brief description of implementation plan and goals; and
  - Description of how project advances the goals and objectives of the SeVEDS [CEDS](#).
- Loan Applicants – In addition to the information listed above:
  - Describe how the project will result in entrepreneurial activity, a business start-up, or a business expansion in Windham County, or business relocation to Windham County;
  - Describe the level of job creation and retention and the wages and benefits of jobs to be retained and created;
  - Include a discussion of the applicant’s capacity and experience to undertake the proposed activity; and
  - A discussion of the impact on the region relative to the size of the loan.
- Grant Applicants – In addition to the general information listed above:
  - Describe how the project addresses one or more project types described in the [RFP](#);
  - If project involves more than one entity, describe roles and involvement of each entity and describe the resources each entity will contribute.
  - Describe how the proposal addresses the other competitive grant scoring criteria:
    - Return on Investment - Lasting Impact or Benefit
    - Coordination and Collaboration with Other Organizations
    - Leveraging of other Programs and Funding
    - Capacity and Experience to Carry Out the Project
    - Readiness to Proceed
    - Strengthening of Regional Economic Development Infrastructure
    - Addresses Unmet Funding or Programmatic Need
    - Assistance to Those Adversely Impacted by VY Closure
    - Long Term Viability
    - Coordination with Local and Regional Planning Efforts
    - Implementation Plan

### **Submitting a Letter of Intent to Apply:**

Email Letter of Intent to Apply to the WCEDP Advisory Council: [rbrown@brattleborodevelopment.com](mailto:rbrown@brattleborodevelopment.com).

### **Review Process:**

Letters of Intent to Apply will be reviewed by the Windham County Economic Development Program Advisory Council (Advisory Council) and the Agency of Commerce and Community Development (ACCD).

All LOIs will be reviewed for:

- Consistency with program objectives;
- Advancement of the goals and objectives of the regional CEDS;
- Appropriate use of WCEDP funds.
- Capacity and experience of applicant to execute project; and



- Implementation plan with measurable outcomes.

Loan Application LOIs will also be reviewed for:

- Job creation and retention;
- Quality of jobs and benefits; and
- Impact of the project in relation to the size of the loan.

Competitive Grant Applicants will also be reviewed for:

- Consistency with RFP requirements;
- Extent of return on investment; long-term impact and benefit to the region
- Coordination and collaboration with and among regional partners and programs;
- Other funding leveraged;
- Capacity and experience of the applicant(s) to execute the proposal;
- Readiness of applicant(s) to proceed with proposal;
- Consistency with and competitiveness of other grant scoring criteria:
  - Strengthening of Regional Economic Development Infrastructure
  - Addresses Unmet Funding or Programmatic Need
  - Assistance to Those Adversely Impacted by VY Closure
  - Long Term Viability
  - Coordination with Local and Regional Planning Efforts
  - Implementation Plan with Measurable Outcomes.

The Advisory Council will provide a copy of LOIs and a recommendation to ACCD, who will approve or deny the LOI. If the LOI receives a positive review by the Advisory Council and ACCD approves the LOI, a letter of support will be provided by the Advisory Council and an approval email will be sent to the applicant by ACCD. The applicant may then proceed to prepare a loan application or competitive grant application. The applicant is required to attend an application workshop and is strongly advised to seek technical assistance to complete the application.

If the LOI is not supported by the Advisory Council or is denied by ACCD, the Windham County Advisory Council may suggest that the applicant seek further assistance from the regional technical provider, suggest that the LOI be withdrawn, and/or suggest other sources of funding or financing for the project.

### **TECHNICAL ASSISTANCE**

Prospective applicants are strongly advised to utilize available technical assistance to learn more about the application process and program requirements. Mandatory Letter of Intent to Apply Workshops and Application Workshops are [scheduled](#). Additionally, one-on-one counseling, primarily provided by the SBDC, is available. All program contacts are listed below.

#### **Small Business Development Center**

One-on-one, confidential, no-cost advising for businesses and non-profit organizations.

Debra Boudrieau, Area Business Advisor

[dboudrieau@vtsbdc.org](mailto:dboudrieau@vtsbdc.org)

76 Cotton Mill Hill, C-1

Brattleboro, VT 05301

(802) 257-7731

#### **Brattleboro Development Credit Corporation**

One-on-one, confidential, no-cost advising for businesses and non-profit organizations.

R.T. Brown, WCEDP Project Manager

[rbrown@brattleborodevelopment.com](mailto:rbrown@brattleborodevelopment.com)

76 Cotton Mill Hill

Brattleboro, VT, 05301  
(802) 257-7731

### **Windham Regional Commission**

Application assistance for municipalities, including public infrastructure investment projects; assistance with town response to applications.

Susan McMahon, Associate Director

[susan@windhamregional.org](mailto:susan@windhamregional.org)

139 Main Street, Suite 505

Brattleboro, VT 05301

(802) 257-4547 X114

### **Vermont Agency of Commerce and Community Development**

Assistance to all applicants regarding the application process, requirements, timeline, approvals, monitoring and reporting.

Kimberly Baker, Grants Management Specialist

[kimberly.baker@vermont.gov](mailto:kimberly.baker@vermont.gov)

Deane C. Davis State Office Building, 6<sup>th</sup> Floor, 1 National Life Drive

Montpelier, VT 05620-0501

(802) 828-3230

### **Vermont Economic Development Authority**

Assistance to loan applicants regarding the application process and information requirements.

Steve Greenfield, COO

[sgreenfield@veda.org](mailto:sgreenfield@veda.org)

58 East State Street, Suite 5

Montpelier, Vermont 05602

(802) 828-5627

### **WINDHAM COUNTY ADVISORY COUNCIL**

The Windham County Economic Development Program Advisory Council was formed by the regional partners to provide local and regional input and advice to the Windham County Economic Development Program. The Council is involved in program development and marketing and is responsible for reviewing Letters of Intent to Apply. The Council will also provide annual program reviews and suggest ways to improve and redirect the program. The Council consists of state-funded regional partners and towns with designated downtowns, plus Vernon, as follows:

- Adam Grinold, Executive Director, Brattleboro Development Credit Corporation (BDCC), Chair
- Chris Company, Executive Director, Windham Regional Commission (WRC), Vice Chair
- Laura Sibilia, Director, Southeastern Vermont Economic Development Strategy (SeVEDS)
- Peter Yost, Board Member, SeVEDS
- Peter Elwell, Town Manager, Town of Brattleboro
- Gretchen Havreluk, Economic and Community Development Consultant, Town of Wilmington
- Francis (Dutch) Walsh, Development Director, Town of Rockingham
- Delegate TBD, Town of Vernon
- Fred Kenney, Executive Director, Vermont Economic Progress Council
- Debra Boudrieau, Regional Advisor, Vermont Small Business Development Center (Non-Voting)



## Advisory Council Staff:

R.T. Brown, WCEDP Project Manager  
[rbrown@brattleborodevelopment.com](mailto:rbrown@brattleborodevelopment.com)  
76 Cotton Mill Hill  
Brattleboro, VT, 05301  
(802) 257-7731 X221 (o)      (802) 451-0442 (c)

Note: Individuals representing each organization are subject to change and delegates may send designees to attend meetings.

## **POST APPROVAL PROCESS**

- If a project is selected for funding, all awardees will receive a general award letter from ACCD providing further detail on the post-approval process. The award is subject to executing a grant agreement or a loan closing.
- For grantees, that will be followed by a draft grant agreement to review and execute.
- If the applicant is a business that is approved for a loan, the company will receive a commitment letter from VEDA and a communication regarding any further documentation required and any other steps leading to a loan closing.
- The Award Letter (and the commitment letter for loans) conditionally offers a grant or loan from the WCEDP. Certain award conditions may have to be met before the Grant/Loan Agreement can be fully executed and funds dispersed. These may include, as applicable:
  - Proof of Insurance provided
  - Gain site control
  - Secure rights-of-way and easements
  - Firm commitments from other resources
  - Permitting
  - Real Estate Appraisal
  - Environmental Site Assessment
  - Voter approval
  - Specific conditions relating to the project
- The Grant/Loan Agreement will detail grant/loan payment, reimbursement, or disbursement, compliance, record-keeping, monitoring, reporting, resolution of non-compliance, and close-out requirements.
- All awardees will be required to assign a grant/loan administrator, set up financial and recordkeeping systems that will allow the awardee to administer, track, and report on the grant/loan, project progress and project goals.